

State Representative

Ed Mahern

Representing Marion County



How To Reach
Representative

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CONTACT MY OFFICE

This will be my last official newsletter until after the November election. However, I am still available to assist with problems, concerns or questions with state government. Please contact my office at 232-9600 if you need assistance.

Mahern applauds Gov. O'Bannon's gas tax proposal

*Removal of gasoline sales tax could save
consumers statewide up to \$12.6 million*

Beginning on July 1, Hoosier motorists benefited from a break at the gasoline pumps. Gov. Frank O'Bannon instituted a temporary freeze on the 5 percent state sales tax on gasoline, resulting in a savings of 7 to 10 cents per gallon for consumers.

I will be keeping an eye on the gasoline pumps in our area to be sure this savings is passed on to consumers. Attorney General Karen Freeman-Wilson will investigate allegations of consumer fraud.

Indiana drivers will save about \$12.6 million if the suspension lasts the entire 60 days.

Building District 97

ROAD FUNDING

**Additional \$200 million
will help build and
repair local roads**

TAX CUTS

\$974 million in tax cuts

**BUILD INDIANA
FUNDS**

**Lottery profits help
communities with
special projects**

*** DETAILS INSIDE ***

An update from Rep. Ed Mahern

ROAD FUNDING

We approved an additional \$200 million to build and repair local roads in last year's state budget. This funding is in addition to regular funding. Here is the breakdown for our district.

Marion County	\$13.4 million
Indianapolis	\$13.5 million
Beech Grove	\$500,000

The amount listed for each city is in addition to the county total

SIGN UP FOR THE FEDERAL "DO-NOT-CALL" LIST

To place your name on the federal "do-not-call" list write to:

Telephone Preference Service, DMA
P.O. Box 9014
Farmingdale, NY 11735-9014

Federal law prohibits solicitation calls to your home before 8 a.m. or after 9 p.m. (local time).

If you need further assistance, do not hesitate to contact the attorney general's consumer protection line at 1-800-382-5516.

Tax cuts benefit families

Homeowners and Renters

Property taxes on a taxpayer's principal place of residence can be deducted up to \$2,500. The renters' [income tax deduction](#) was increased from \$1,500 to \$2,000. The county welfare funds and the county welfare administration funds were eliminated from local property taxes.

Families and children

The [income tax deduction](#) was increased from \$1,000 to \$2,500 for dependent children under age 19 and full-time students under age 24. You may reduce your Indiana adjusted gross income for each qualifying dependent.

A new \$100,000 deduction has been provided for each "Class A" beneficiary, which includes a child, parent, grandchild or grandparent to reduce the [inheritance tax](#).

Senior Citizens

The [income tax deduction](#) for most seniors was increased from \$1,000 to \$1,500. Each qualified taxpayer may take this deduction — meaning married senior couples may now deduct \$3,000 from their adjusted gross income.

Many seniors also received an increase in the [property tax deduction](#) from \$1,000 to \$2,000. The basic eligibility qualifications have been expanded to include senior citizens with a maximum adjusted gross income of \$25,000 and who own property with a maximum assessed valuation of less than \$23,000. However, there are some limitations to the deduction, including (1) everyone who lives on the property must be 65 or older. The deduction is reduced if everyone is not 65; (2) individuals who share ownership must reside on the property. However, living in a nursing home or hospital will not prevent a person from receiving this deduction; and (3) you may not receive any other deductions other than the Mortgage Deduction and the Standard Deduction.

The legislature also established a new state income tax deduction for the amount of [long-term health care](#) insurance premiums.



Businesses receive tax cuts

Inventory tax cuts total almost \$210 million

In the last budget year, the Indiana General Assembly enacted inventory tax cuts which will provide relief for farm and small business owners across the state. By enacting this credit which covers both equipment and inventory, we eliminated inventory taxes for nearly 90 percent of the businesses and farms in Indiana.



In the 1999 session, legislators approved a plan that provided a credit for property taxes paid on the first \$12,500 of assessed valuation on personal property, including inventory, mobile homes, and farm and manufacturing equipment.

It is estimated that the total savings will amount to more than \$210 million in 2000 and 2001. This means that many Hoosiers will see even smaller tax bills in the years ahead.

Unemployment taxes reduced

In 2000, we cut the amount paid by employers into the unemployment compensation fund by \$108 million. That decrease was part of legislation that also provides Indiana workers who lose their jobs with an increase in benefits of 33 percent over the next three years.

“Add-back” eliminated

Businesses no longer have to “add-back” property taxes deducted on their federal returns.

Tobacco agreement to help several programs & groups

Settlement targets health care, prescription drugs

Certainly one of the biggest achievements of the 2000 legislative session was passage of legislation that sets up a system to allocate the more than \$4 billion Indiana will be receiving from the national tobacco settlement over the next 25 years.

In the first year alone, \$35 million will be dedicated toward health care programs, with an emphasis on tobacco education and prevention. Another \$20 million will be used to help seniors on low incomes purchase needed prescription drugs. Community health centers will receive \$15 million in program support, along with a one-time-only appropriation of \$10 million to make physical improvements to facilities.

BUILD INDIANA PROJECTS DISTRICT 97

Since 1989, \$229.9 million has been distributed statewide from lottery profits for Build Indiana Projects. The organizations and projects listed below received appropriations in the last biennial budget.

Beech Grove Senior Citizens Center -- \$100,000

Beech Grove Park Department -- \$50,000

Beech Grove Fire Department -- \$50,000

Beech Grove Police Department -- \$100,000

Beech Grove Library -- \$20,000

Health Net -- \$25,000

Indianapolis Parks Department -- \$50,000

Indianapolis Public Schools -- \$75,000

R. Ross CDC -- \$50,000

White River State Park
(Washington Street Bridge) -- \$100,000

Mary Riggs Neighborhood Center -- \$100,000

LaShonna Bates Aquatic Center -- \$100,000

City of Indianapolis
Road Widening -- \$200,000

Hoosier Healthwise

Hoosier Healthwise offers health care to children, pregnant women and low-income working families. Each child has a personal doctor -- known as a Primary Medical Provider or PMP. Each child's doctor works with the parent to plan for all of the health care needs of the child, including routine check-ups, immunizations, screenings, diagnoses and treatment. Hoosier Healthwise also offers access to dental care.

Families making up to 200 percent of the federal poverty level (equal to about \$34,000 for a family of four) may qualify for Hoosier Healthwise. To find out if you qualify, contact Hoosier Healthwise at 1-800-889-9949.

The Children's Health Insurance Program (CHIP) was created as part of the Federal Balanced Budget Act of 1997. Congress created CHIP as a way to encourage states to provide health insurance to uninsured children. In 1998, Indiana enacted legislation creating the Hoosier Healthwise program for children. More than 115,000 children have been added to the program since 1998. This sizable addition resulted in Indiana having the largest Medicaid enrollment increase of any state.

Hoosier Healthwise Helpline 1-800-889-9949.

How to apply

1. Have an application mailed to you by calling 1-800-889-9949.
2. Fill out and sign the application.
3. Turn in the application by mailing it, taking it to an enrollment center or taking it to your local office of the Division of Family and Children.
4. Once your application is reviewed, you will receive a packet of information on the program and be assigned a Benefit Advocate.



Rep. Ed Mahern

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Call the Statehouse

232-9600

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